

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 2/17/2015	(3) CONTACT/PHONE Machelie Vieux, Interim Director – General Services Department (805) 781-5200 Dave Flynn, Deputy Director – Department of Public Works (805) 781-5252 Guy Savage, Assistant County Administrative Officer (805) 781-5011	
(4) SUBJECT Adoption of the Five Year Infrastructure and Facilities Capital Improvement Plan. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board review and accept the proposed Five Year Infrastructure and Facilities Capital Improvement Plan, FY 2015-16 through FY 2019-20 and, acting in the capacity of the County planning agency pursuant to Government Code 65401, find that the Capital Improvement Plan conforms to the adopted County General Plan.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input checked="" type="checkbox"/> Board Business (Time Est. <u>60 Min.</u> )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? Yes	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: 2/16/10, #B-1; 3/13/12, #9; 2/19/13, #3; 2/18/14, #3	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 15FEB17-BB-1

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Machele Vieux, Interim Director – General Services Department  
Dave Flynn, Deputy Director – Department of Public Works  
Guy Savage, Assistant County Administrative Officer

DATE: 2/17/2015

SUBJECT: Adoption of the Five Year Infrastructure and Facilities Capital Improvement Plan. All Districts.

## **RECOMMENDATION**

It is recommended that the Board review and accept the proposed Five Year Infrastructure and Facilities Capital Improvement Plan, FY 2015-16 through FY 2019-20 and, acting in the capacity of the County planning agency pursuant to Government Code 65401, find that the Capital Improvement Plan conforms to the adopted County General Plan.

## **DISCUSSION**

This item presents the proposed Five Year Infrastructure and Facilities Capital Improvement Plan (CIP). The Five Year CIP is a consolidated look at the facilities and infrastructure improvements that are planned to be implemented during the next five fiscal years beginning in FY 2015-16. At the end of each year, the plan is reevaluated and revised to add a new fiscal year.

Many departments contribute to the development of the Five Year CIP. The primary staff and oversight of this plan was provided by the General Services Department, the Department of Public Works, the Department of Planning and Building, and the County Administrative Office. In the future, the process will include greater involvement from the Departments of Parks & Recreation and Airports.

### **Background**

At the direction of the Board, staff has worked to develop a more comprehensive CIP to be contained within one document. Efforts before 2012 involved separate processes and were found through various documents. In compiling the CIP, staff utilizes a systematic process for determining, estimating and selecting projects for inclusion in the CIP. Selection criteria provides for continuity in advancing major project types based on need and potential project outcomes. Moreover, the process incorporates greater consideration of land use plans and goals as well as providing a means to identify proposed projects by function and community.

The development process is managed under the Infrastructure and Facilities Coordinating Committee (IFCC) consisting of department heads and managers from the General Services Department, Department of Public Works, County Administrative Office, and Department of Planning and Building. A final CIP has been prepared each of the past four years which has provided an opportunity to fine-tune the report and coordination. As part of process enhancement, the IFCC has developed an improved “call for projects” management system internal to County departments in order to manage facility needs which includes assisting departments on approach and estimating. The process is reviewed by an executive steering committee composed of various department heads.

Regional infrastructure priorities are defined through broad efforts under the Resource Management System that is maintained by the Department of Planning and Building, and under collective programs such as the Integrated Regional Water Management (IRWM) Plan. For recent Prop 84 drought relief grants, the IRWM process also involves a Regional Water Supply Users group for rating and determine critical regional projects. Within individual communities, Public Works identifies infrastructure needs under individual water and wastewater systems’ Master Plans, or Circulation Plans adopted under established Road Improvement Fee programs. Subsequent project development work is done with the interaction of the community advisory councils.

The majority of individual projects are dependent on having an outside funding source or grants to gain status in the CIP for implementation.

### Overview of the Five Year CIP

Facility projects include the construction or improvements to libraries, correctional facilities, parks, County offices, and airport facilities. Infrastructure projects include the construction or improvements to roads, bridges, water and wastewater systems, and community drainage. The CIP lists those projects expected to cost in excess of \$100,000.

In all, there are 121 projects valued at \$449 million in the five year plan spread over 25 communities and rural areas. The plan includes 69 facility projects identified by the General Services Department with a total estimated expense of \$174 million. Of these projects, 16 are expected to be implemented in FY 2015-16 at an estimated value of \$47.3 million. For infrastructure projects, the Department of Public Works lists 52 projects with a total estimated value of \$ 274 million. It is projected that 51 projects be implemented in FY 2015-16 with a total cost of \$ 59.1 million.

Needs assessments for facilities and infrastructure will continue through the five year CIP cycle to help identify future project requirements.

### Organization of the Five Year CIP

The CIP is organized into six sections as identified below.

- Section 1 – Executive Summary
- Section 2 – Introduction and Background
- Section 3 – Summary of Completed Projects
- Section 4 – Recommended Projects
- Section 5 – Operational and Maintenance Costs
- Section 6 – Future Update Considerations

The identification of projects in the plan incorporated the evaluation of essential needs, funding, and feasibility. Funding for projects may be allocated either through the annual process or brought to the Board individually. The CIP is a guide and is not a guarantee that all the projects will be developed or funded. Risks relative to each project need to be assessed in their implementation and evaluated in subsequent CIP preparation. The evaluation of priorities and emerging needs will result in changes to the plan. Changes to the plan will include the addition of new projects and the elimination of projects that have been completed or removed under reconsideration of the CIP. The plan provides a solid foundation for the planning and development of County facilities and infrastructure projects over the next five years and will help meet the demands related to growth in the unincorporated areas of the County.

### Significant Projects included in the CIP

Overall effort and financial value in the CIP remains driven by several significant projects which include:

- Los Osos Wastewater Project (\$175 million)
- Expansion of the Women's Jail (\$40.7 million)
- New Airport Terminal Building (\$34 million)
- Juvenile Hall Expansion (\$20 million)
- Co-located Emergency Dispatch Center (\$13.5 million)
- Intake Release Center (IRC) Remodel at County Jail (\$10.9 million)
- Cayucos Pier Rehabilitation (\$4 million)
- Arroyo Grande Channel Waterway Improvements (\$ 3.7 million)
- County Service Area 23-Atascadero Inter-tie Project, Drought Relief (\$2 million)
- State Route 1 at 13<sup>th</sup> Street Drainage Improvements, Oceano (\$ 2.9 million)
- Price Canyon Road Widening Phase II (\$6.2 million)

Once these projects have been completed, the magnitude of the CIP will be reduced to a much lower annual investment level. The CIP report does list projects expected "Beyond Five Years" within Appendix 8. Significant planning and funding efforts are needed to realize the viability in placing these potential projects into future CIPs.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

Input on the proposed plan has been reviewed under an executive steering committee composed of the various County department heads. Staff has received specific input from the Auditor Controller Tax Collector, Airport, Parks, Fire, Health Agency, Probation, Sheriff, and Library.

For transportation enhancement projects in support of trails, bike facilities and walkable communities, the Departments of Parks and Recreation, Planning and Building, and Public Works review the various community, trail and bike plans for projects on an annual basis. Based on the CIP ranking criteria, potential projects are advance for grant funding through the San Luis Obispo Council of Governments (SLOCOG) or outside Federal/State active transportation grant programs.

The IFCC has continued outreach with various Community Services Districts in order to incorporate their CIP's into the countywide process for future reference. We continue to work toward an ultimate goal of having one resource document to provide an overview of these plans for the County.

California Government Code requires CIP's to be referred to the planning agency of each county for review as to its consistency with the general plan. The Board serves as the Planning Agency for this process. To aid in this determination, the Planning and Building Department has reviewed each proposed project and has provided justification to find consistency with the General Plan.

## **BUSINESS IMPACT STATEMENT**

In preparing the CIP package, members of the IFCC continued to meet with the San Luis Obispo Economic Vitality Corporation's Building Design and Construction business cluster (BDC). The BDC sought to understand the parameters of project selection for the CIP and in aligning priorities within the CIP with opportunities to identify and close gaps in public infrastructure. On-going review of the CIP will occur in the future with the BDC and other stakeholders in order to provide a long term vision for potential CIP investment.

The trails, parks, and pedestrian walkways identified in the plan are consistent with the wellness/prevention/active lifestyle vision identified in the Economic Vitality Corporation's Health Service Cluster.

## **FINANCIAL CONSIDERATIONS**

The projects on the Five Year Capital Improvement Plan have a total estimated cost of \$449 million. Facilities projects comprise \$174 million of the total estimate while Infrastructure projects make up \$275.2 million. Of the infrastructure and facilities projects, \$200 million has been allocated in previous years from a variety of sources, leaving a remaining unallocated budget of \$249 million.

Key outside agencies which provide funding for County projects by way of direct funding or grants include FAA, State of California AB 900 and SB 81, donations from various non-profit groups, California Coastal Commission, Wildlife Conservation Board, San Luis Obispo Council of Governments (SLOCOG), Caltrans, US Department of Agriculture (USDA), and Federal Emergency Management Administration (FEMA). In addition, funding is provided under existing development mitigation accounts from the County's Public Facility Fees and various Road Improvement Fee programs.

The Governor's Office has recently released their FY 2015-16 proposed budget which includes several statewide CIP strategies and funding opportunities. The budget includes:

- A 23% decline of gas tax revenues from \$1.89 billion to a projected \$1.45 billion. These revenues are distributed to counties for Road Maintenance purposes; reduction would potential redirect overall Road Fund priorities.
- The first year appropriation of Proposition 1 Water Bond to include:
  - o \$100 million in Groundwater Planning grants
  - o \$135 million in Safe Drinking Water (Water/Wastewater Systems)
  - o \$137 million in Water Recycling programs
  - o \$54.6 million in Regional Water Sustainability grants
- Distribution under the Cap & Trade Program of \$200 million for development of sustainable communities.

The County will have the ability to compete for these additional funds in the near future which will

allow the County to bolster or advance elements of the CIP.

In addition, the Governor recently approved legislation for the use of Enhanced Infrastructure Finance Districts (EIFD) as a local funding mechanism for critical infrastructure components. These EIFDs are similar to previous Redevelopment Agency funding mechanisms but with a much narrower focus on public infrastructure and could be a tool for advancing large scale projects within a community.

## **RESULTS**

The Five Year Capital Improvement Plan is intended to guide the planning and development of larger capital and major maintenance projects developed through the General Services Department, Airports, Department of Parks & Recreation and the Department of Public Works. The projects identified in the plan will improve existing buildings, construct new buildings, maintain existing public facilities and provide for new infrastructure which will contribute to the County's vision of a Safe, Healthy, Livable, Prosperous and Well Governed Community.

File: CF 650.10.10

Reference: 15FEB24-BB-1

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## **ATTACHMENTS**

1. Infrastructure and Facilities Capital Improvement Program Five Year Plan FY 2015-16 through FY 2019-20. Appendices 1 through 9.
2. Clerk's File – Link to Capital Improvement Plan with Link to Appendix 10 – Individual Project Summary Sheets.